



**REDEVELOPMENT AGENCY AGENDA**  
**MEETING OF: JUNE 16, 2004**

THESE PROCEEDINGS ARE BEING PRESENTED LIVE ON KCLV, CABLE CHANNEL 2, AND ARE CLOSED CAPTIONED FOR OUR HEARING IMPAIRED VIEWERS. THE COUNCIL MEETING, AS WELL AS ALL OTHER KCLV PROGRAMMING, CAN BE VIEWED ON THE INTERNET AT [www.kclv.tv](http://www.kclv.tv). THE PROCEEDINGS WILL BE REBROADCAST ON KCLV CHANNEL 2 AND THE WEB THE WEDNESDAY OF THE MEETING AT 8:00 PM, AND ALSO ON FRIDAY AT 4:00 AM, SATURDAY AT 7:00 PM, SUNDAY AT 7:00 AM AND THE FOLLOWING MONDAY AT 1:00 PM.

- CALL TO ORDER
- ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

**MINUTES:**

CALLED TO ORDER BY CHAIRMAN GOODMAN AT 1:17 P.M.

**PRESENT:** CHAIRMAN GOODMAN and MEMBERS REESE, BROWN, WEEKLY, MACK, and MONCRIEF with Ward 2 Seat vacant

**ALSO PRESENT:** DOUG SELBY, Executive Director, BRADFORD JERBIC, City Attorney, and BARBARA JO RONEMUS, Secretary

ANNOUNCEMENT MADE: Posted as follows:

City Hall Plaza, Special Outside Posting Bulletin Board

Court Clerk's Office Bulletin Board, City Hall Plaza

Las Vegas Library, 833 Las Vegas Boulevard North

Clark County Government Center, 500 S. Grand Central Pkwy.

Grant Sawyer Building, 555 E. Washington Avenue

(1:17)

**3-2563**

**AGENDA SUMMARY PAGE**

**REDEVELOPMENT AGENCY MEETING OF: JUNE 16, 2004**

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**DEPARTMENT: OFFICE OF BUSINESS DEVELOPMENT**

**DIRECTOR: CHRIS KNIGHT, ACTING**

**SUBJECT:**

APPROVAL OF THE MINUTES BY REFERENCE FOR THE MEETING OF APRIL 21, 2004

**MOTION:**

**REESE – APPROVED by Reference – UNANIMOUS with Ward 2 seat vacant**

**MINUTES:**

There was no discussion.

(1:18)  
3-2511

**AGENDA SUMMARY PAGE**  
**REDEVELOPMENT AGENCY MEETING OF: JUNE 16, 2004**

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**DEPARTMENT: BUSINESS DEVELOPMENT**

**DIRECTOR: CHRIS KNIGHT (ACTING)**

**SUBJECT:**

**RESOLUTIONS:**

**RA-1-2004** - DISCUSSION AND POSSIBLE ACTION REGARDING APPROVAL OF A RESOLUTION AUTHORIZING THE ISSUANCE OF THE TAXABLE TAX INCREMENT SUBORDINATE LIEN NOTE IN THE AMOUNT OF \$1,837,360.00 TO SIMON/CHELSEA LAS VEGAS DEVELOPMENT, LLC AND PROVIDING FOR ALL MATTERS RELATED THERETO - WARD 5 (WEEKLY)

**Fiscal Impact**

<input type="checkbox"/>	<b>No Impact</b>	<b>Amount:</b> \$1,837,360.00
<input checked="" type="checkbox"/>	<b>Budget Funds Available</b>	<b>Dept./Division:</b> REDEVELOPMENT AGENCY
<input type="checkbox"/>	<b>Augmentation Required</b>	<b>Funding Source:</b> RDA FUNDS

**PURPOSE/BACKGROUND:**

On June 19, 2002, RDA and Chelsea entered into an Owner Participation Agreement for the development of Chelsea Premium Outlet Project and payment to Chelsea of 41% of the tax increment from the Project to reimburse certain costs incurred by Chelsea to construct and develop Qualified Improvements for the Project. The Note shall mature on May 5, 2016 and shall have an interest rate of 7%. The payments shall only be payable from available accrued taxes received by the RDA.

**RECOMMENDATION:**

It is recommended that the Agency Board approve the Resolution.

**BACKUP DOCUMENTATION:**

1. Amended Resolution No. RA-1-2004 with attached Note form
2. Disclosure of Principals form

**MOTION:**

**WEEKLY – APPROVED as amended – UNANIMOUS with GOODMAN abstaining because he and MR. FEINN are each one-third owners, along with J. BROWN, in property referred to as the Outpatient Medical Building and MR. FEINN has not closed escrow and Ward 2 seat vacant**

NOTE: Before moving on to Item 3, AL GALLEG0, citizen of Las Vegas, presented a photo on the overhead of property and insisted the Mayor abstain on this item, even though MAYOR GOODMAN said that escrow has not closed on that property. CITY ATTORNEY JERBIC advised that the Mayor's relationship with MR. FEINN was previously disclosed in detail. MR. FEINN has not closed escrow and does not yet own the property. MAYOR GOODMAN noted that he has been advised that he could vote on this matter; however, in an abundance of caution, he opted to abstain.

REDEVELOPMENT AGENCY MEETING OF JUNE 16, 2004  
Office of Business Development  
Item 2 - RA-1-2004

**MINUTES – Continued:**

MARK FIORENTINO, Attorney, Kummer, Kaempfer, Bonner and Renshaw, appeared representing Chelsea. DEPUTY CITY ATTORNEY TERESITA PONTICELLO reviewed the information under the Purpose/Background section above. She added that the project was completed and the developer provided documentation demonstrating that they incurred the required costs in improvements. Agency staff reviewed the documentation and found that all requirements were fulfilled to issue this resolution, which she noted has been amended, as recommended by JOHN SWENSEID, Bond Counsel. She then reviewed the recommended changes included in the amended resolution.

CHAIRMAN GOODMAN asked if the amount given under fiscal impact is 41% of the taxes that Chelsea has paid. MARK VINCENT, Director, Finance and Business Services, answered that the amount is 41% of the taxes forecasted to be paid. CHAIRMAN GOODMAN then asked if the City has received that amount in taxes to date. MR. VINCENT explained that the City made a commitment to share 41% of the tax increment that the improvements will generate over the next 13 years. The note structure includes a future forecast of the tax increment from the improvements made. These were discounted back at 7%, as required by the agreement, and arrived at the \$1.8 million. Note payments were then calculated and amortized at 7% interest over the next 13 years, arriving at a note payment of \$220,000. However, in discounting the future payments, based on the assumptions made on the growth and assessed value, the Agency is limited to the note structure and can only pay 41% of the tax Chelsea pays. In order to ensure fairness to Chelsea, staff conducted some studies of similar malls and arrived at an assumption that the value of those improvements might grow at 12% over the next 13 years. So the note payments are going to accelerate over time and Chelsea will pay a tax increment of about \$10 million over the next 13 years, with 7.5 attributed to Chelsea's improvements. Chelsea will receive over the 13 years 41% of it, or about \$3 million. The difference between the \$3 million and the \$1.8 million is the interest at 7%.

CHAIRMAN GOODMAN confirmed with ATTORNEY FIORENTINO that he understood MR. VINCENT'S explanation.

(1:18 - 1:27)

**3-2582**

**AGENDA SUMMARY PAGE**  
**REDEVELOPMENT AGENCY MEETING OF: JUNE 16, 2004**

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**DEPARTMENT: BUSINESS DEVELOPMENT**

**DIRECTOR: CHRIS KNIGHT (ACTING)**

**SUBJECT:**

DISCUSSION AND POSSIBLE ACTION REGARDING A REPORT FROM WORLD MARKET CENTER LLC'S CURRENT STATUS AND COMPLIANCE WITH AND IN FURTHERANCE OF THE GOALS AND OBJECTIVES OF THE AGENCY'S REDEVELOPMENT EMPLOYMENT PLAN AS AGREED UPON IN THE OWNER PARTICIPATION AGREEMENT, APNs 139-33-610-004, 139-33-511-003, AND 139-33-511-004 - WARD 5 (WEEKLY)

**Fiscal Impact**

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**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

Agency Board requested to receive a report from the developer of World Market Center redevelopment project as to the status of and compliance with their Owner Participation Agreement and the Employment Plan contained therein. Also, the status and phasing of current and future construction may be discussed.

**RECOMMENDATION:**

Review and accept updated report and direct staff accordingly.

**BACKUP DOCUMENTATION:**

Submitted at meeting: Employment Plan for World Market Center from Whiting-Turner

**MOTION:**

**WEEKLY – ACCEPTED the report – UNANIMOUS with Ward 2 seat vacant**

**MINUTES:**

CHRIS KNIGHT, Acting Director, Business Development, introduced JIM DeNAFRIO of Whiting-Turner and ROBERT WHOLEGATE of World Market Center who were present to give a report on the employment plan for World Market Center.

MR. DeNAFRIO reviewed the synopsis of the report on the Employment Plan, a copy of which is made a part of the final minutes. He noted that the percentage of contracts issued to minority contractors does not make sense because there have been about six subcontracts issued in excess of approximately \$13 million. Thus, the majority of the contracts let to single contractors are for larger trades such as steel, electrical, mechanical, and concrete. Nevertheless, Whiting-Turner continues to send out solicitations for bids to minority contractors.

REDEVELOPMENT AGENCY MEETING OF JUNE 16, 2004

Business Development

Item 3 - DISCUSSION AND POSSIBLE ACTION REGARDING A REPORT FROM WORLD MARKET CENTER LLC'S CURRENT STATUS AND COMPLIANCE WITH AND IN FURTHERANCE OF THE GOALS AND OBJECTIVES OF THE AGENCY'S REDEVELOPMENT EMPLOYMENT PLAN AS AGREED UPON IN THE OWNER PARTICIPATION AGREEMENT, APNs 139-33-610-004, 139-33-511-003, AND 139-33-511-004 - WARD 5 (WEEKLY)

**MINUTES – Continued:**

MR. WHOLEGATE indicated that many of the subcontractors currently working on the project employ minorities. MR. DeNAFRIO added that about 43% of the people working on the site are minorities working for subcontractors.

MEMBER WEEKLY expressed his appreciation to MR. WHOLEGATE for his efforts in trying to increase minority participation. He asked how the City might be able to assist with the upcoming workshop. MR. WHOLEGATE indicated that he is looking forward to advertising the meeting place for the workshop. He offered his full assistance in improving the hiring process, especially with the upcoming second building currently in design. Given the response, they also intend to build temporary overflow facilities in excess of 370,000 square feet.

TOM McGOWAN, Las Vegas resident, commended the developer and the Council for its efforts in reaching out to minorities. He then asked for a demographic breakdown of minorities hired.

Having been there for the latter portion of this matter, FRANK ALBANO, resident of Las Vegas, asked if there was anyway that this might benefit minority students. MEMBER WEEKLY explained that this matter is regarding the World Market Center, which is a furniture center.

NOTE: MEMBER WEEKLY directed RAMON TORRES to get the workshop information disseminated to the various chambers of commerce and minority organizations.

(1:27 - 1:41)

**3-3065**

**AGENDA SUMMARY PAGE**  
**REDEVELOPMENT AGENCY MEETING OF: JUNE 16, 2004**

CITIZENS PARTICIPATION: ITEMS RAISED UNDER THIS PORTION OF THE AGENDA CANNOT BE DELIBERATED OR ACTED UPON UNTIL THE NOTICE PROVISION OF THE OPEN MEETING LAW HAVE BEEN MET. IF YOU WISH TO SPEAK ON A REDEVELOPMENT AGENCY MATTER NOT LISTED ON THE AGENDA, PLEASE STEP UP TO THE PODIUM AND CLEARLY STATE YOUR NAME AND ADDRESS. PLEASE LIMIT YOUR REMARKS TO THOSE MATTERS UNDER THE EXPRESS JURISDICTION OF THE REDEVELOPMENT AGENCY. IN CONSIDERATION OF OTHERS, AVOID REPETITION, AND LIMIT YOUR COMMENTS TO NO MORE THAN THREE (3) MINUTES. TO ENSURE ALL PERSONS EQUAL OPPORTUNITY TO SPEAK, EACH SUBJECT MATTER WILL BE LIMITED TO TEN (10) MINUTES.

**MINUTES:**

TOM MCGOWAN, Las Vegas resident, read and submitted his written comments, a copy of which is made a part of the minutes, regarding various written proposals he submitted to the Centennial Celebration Committee that he believes are being suppressed. CHAIRMAN GOODMAN noted that he was offended by MR. MCGOWAN'S references to his sexual preferences.

In reviewing the World Market report, AL GALLEGOS, citizen of Las Vegas, opined that there is no difference between Hispanics and Caucasians. There should be no breakdown.

SEKOU KALA, 15-year resident of the City, indicated that he read an article in City Life Magazine where CHAIRMAN GOODMAN is quoted as being in support of increased police presence in the downtown area to make people venturing downtown feel comfortable. MR. KALA countered that even though CHAIRMAN GOODMAN indicated in the article that he hopes people's constitutional rights are not violated, he has witnessed several incidents of people's constitutional rights being violated. MR. KALA said he feels more threatened by police officers than any criminal lurking in the alley because Metro's (Las Vegas Metropolitan Police Department) actions are always justified. Citing an example, he indicated that recently two 12-year-old girls approaching Western Union were pulled over by Metro officers, who took one of the girl's purses and dumped its contents on the hood. The young lady was traumatized. CHAIRMAN GOODMAN advised MR. KALA to report his violation concerns to the Civilian Review Committee before reporting to him.

DOROTHY BARNES, Las Vegas resident, commented that she has experienced a lot of racism since she moved here. She advised the City to keep an eye on the marshals and law enforcement because she has seen many of them sellout.

# *City of Las Vegas*

## REDEVELOPMENT AGENCY MEETING OF JUNE 16, 2004 Citizens Participation

### **MINUTES – Continued:**

ALMA RAMIREZ said that all the Jewish and Caucasians have no honor and breach all their contracts. These two groups of people have created a modern Holocaust in which people of color are being victimized. As a Mexican, she has experienced abuse, racism, violence, threat, denial of due process, and oppression against her First Amendment rights. She encouraged minorities to boycott all Jewish and Caucasian businesses beginning on Mexican Independence Day to September 22, 2004, so that they can fail and beg for food. This experience will force them to become more humble, decent, and humane.

Regarding Item 78, which involved some citations for prostitution, FRANK ALBANO, Las Vegas resident, cautioned that children might be watching these proceedings live and might be influenced by this.

(1:41 – 1:58)

**4-125**

**THE MEETING ADJOURNED AT 1:58 P.M.**

Respectfully submitted: \_\_\_\_\_  
GABRIELA S. PORTILLO-BRENNER, DEPUTY CITY CLERK  
August 26, 2004

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**Barbara Jo Ronemus, Secretary**